

Korea Probe Subpoena Withdrawn

Justice, Embassy Disagree Over

Access to Records

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The Justice Department has withdrawn the extraordinary U.S. grand jury subpoena for the banking records of the South Korean Embassy and its diplomatic delegation here, according to sources in the U.S. government and the South Korean Embassy.

One State Department source said the South Korean Embassy will voluntarily allow access to the subpoenaed Riggs National Bank records. However, a source within the South Korean Embassy said he knew of no agreement to provide documents to federal investigators.

The subpoena had been issued in an attempt by investigators to trace how large amounts of cash may have been generated by South Korean agents for cash payments, gifts and campaign contributions to U.S. congressmen to influence congressional action concerning South Korea.

The subpoena would have required Riggs National Bank to produce for government investigators the banking records of the South Korean Embassy and its personnel.

According to informed sources, the embassy retained Rogers and Wells, the law firm of former Secretary of State William P. Rogers, to intervene with the Justice Department's public integrity section, which is coordinating the federal investigation of South Korean corruption of U.S. congressmen. Anthony Essaye, the Rogers and Wells lawyer reported to have handled the discussions with Justice, refused to answer a reporter's questions about them.

South Korean Ambassador Hahn Pyong-choon met for an hour yesterday morning with Arthur Hummell, assistant secretary of State for East

Asia and Pacific affairs, according to an informed source. The State Department would not comment on the substance of the meeting, which was requested by Hahn.

A source close to the corruption investigation said all decisions affecting the investigation continue to be made by Paul Michelle, the deputy chief of the Justice Department's public integrity section.

Federal investigators have information, including highly sensitive reports of intelligence from within the South Korean government, that South Korean agents including Washington-based Korean businessman Tongsun Park dispensed between \$500,000 and \$1 million yearly in cash, gifts and campaign contributions to U. S. congressmen and other officials during the 1970s.

Louisiana Gov. Edwin Edwards, who admitted at a Baton Rouge news conference earlier this week that his wife accepted \$10,000 in cash from Tongsun Park in 1971, said in a long telephone interview yesterday that in 1971 he himself had returned "over \$100,000 to around 30 people" who wanted him to "do this or that or the other" in return for the money. Edwards was then a Democratic congressman running for governor of Louisiana.

"Guys would say, 'I'll give you \$10,000 if you make me superintendent of police,' and it was legal" under Louisiana law, Edwards said. He said he later "had the law changed" to make such quid pro quo contributions illegal.

Edwards said that in 1971 he was under the mistaken impression when Tongsun Park offered him assistance in his campaign for governor that it was illegal for foreign nationals to make campaign contributions. Such a law did not take effect until 1975.

Edwards said he refused Tongsun Park's offer because he thought it was illegal at the time. But he added that if "I'd known that it was \$10,000, I might have accepted it anyhow. But I thought it was only \$400 to \$500, so I said thanks anyway."

Edwards denied reports that he had met Tongsun Park through efforts to sell Louisiana rice to South Korea. Edwards said he was never aware

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